

FILED IN THE  
U.S. DISTRICT COURT  
EASTERN DISTRICT OF WASHINGTON

JAN 25 2011

JAMES R. LARSEN, CLERK  
DEPUTY  
SPOKANE, WASHINGTON

KAREN S. LINDHOLDT, P.S.  
Attorney at Law  
1020 N. Washington  
Central Pointe Professional Bldg.  
Spokane, WA 99201  
Telephone: 509-744-1100  
Fax: 509-326-2932  
Email: justice@winning.com

Attorney for Plaintiff

UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF WASHINGTON

CAROLINE SIDERIUS,

Plaintiff,

v.

BANK OF AMERICA, NA; BAC  
HOME LOANS SERVICING, LP;  
TRANS UNION LLC; EQUIFAX  
INFORMATION SERVICES, LLC;  
and EXPERIAN INFORMATION  
SOLUTIONS, INC.,

Defendants.

No. CV-11-032-WFN

COMPLAINT

**DEMAND FOR JURY TRIAL**

COMES NOW the Plaintiff, CAROLINE SIDERIUS, by and through her  
attorney of record, KAREN S. LINDHOLDT, and for claims against the above-  
named Defendants, alleges as follows:

Complaint  
Page 1 of 17

Karen S. Lindholdt  
Attorney at Law  
1020 N. Washington  
Spokane, WA 99201  
(509)744-1100 Telephone  
(509) 326-2932 Facsimile

**PRELIMINARY STATEMENT**

1  
2 1. This is an action for actual, statutory and punitive damages, costs and  
3 attorney's fees brought pursuant to 15 U.S.C. § 1681 *et seq.* (Federal Fair Credit  
4 Reporting Act) in connection with defendants' furnishing and reporting of false  
5 adverse information on Plaintiff's credit report.  
6

7  
8 **PARTIES**

9 2. Plaintiff Caroline Siderius is an adult individual and natural person, resident  
10 and citizen of the State of Washington. Ms. Siderius is a "consumer" as that term  
11 is contemplated in §1681a(c) of the Act.  
12

13 3. Defendant Bank of America, NA ("Bank of America"), is a mortgage lender  
14 that is licensed to transact business in the United States, including in the states of  
15 Washington and Alabama.

16 4. Defendant BAC Home Loans Servicing, LP ("BAC"), is a mortgage  
17 servicer that is licensed to transact business in the United States, including the  
18 states of Washington and Alabama.  
19

20 5. BAC is a subsidiary of Bank of America and at all time relevant serviced  
21 home mortgage loans held by Bank of America.  
22

1 6. Bank of America and BAC were at all times relevant furnishers of  
2 information to consumer reporting agencies as contemplated in 15 U.S.C. §1681s-

3  
4 2.

5 7. Defendant Trans Union LLC ("Trans Union") is believed to be an Illinois  
6 limited liability company.

7 8. Trans Union is a "consumer reporting agency" as that term is contemplated  
8 in 15 U.S.C. §1681a(f).  
9

10 9. Defendant Equifax Information Services, LLC ("Equifax"), is believed to be  
11 a Georgia limited liability company.

12 10. Equifax is a "consumer reporting agency" as that term is contemplated in 15  
13 U.S.C. §1681a(f).  
14

15 11. Defendant Experian Information Solutions, Inc. ("Experian"), is believed to  
16 be a Texas limited liability company.

17 12. Experian is a "consumer reporting agency" as that term is contemplated in  
18 15 U.S.C. §1681a(f).  
19

## 20 JURISDICTION

21 13. Subject matter jurisdiction is conferred by the provisions of the Fair Credit  
22 Reporting Act, 15 U.S.C. §1681p, actionable through 28 U.S.C. §1337.  
23

1 14. Venue is proper in this district as defendants do business in this district,  
2 Plaintiff resides in this district and the harm complained of occurred, in part, in this  
3 district.  
4

5 **STATEMENT OF CLAIM**

6 15. Prior to January 1, 2009, Ms. Siderius applied for and received a home  
7 mortgage loan from Countrywide Home Loans ("Countrywide") or one of its  
8 parents, subsidiaries or affiliated companies.  
9

10 16. As of March, 2009, Bank of America either purchased the Countrywide  
11 entity that previously held Ms. Siderius's mortgage note, Countrywide changed its  
12 name to Bank of America or Countrywide became one of Bank of America's  
13 subsidiaries or affiliated companies doing business under the control of Bank of  
14 America.  
15

16 17. As of March, 2009, Bank of America held Ms. Siderius's home mortgage  
17 note and serviced the loan through BAC.  
18

19 18. BAC and Bank of America did at all times relevant act as agents for each  
20 other for the servicing of Ms. Siderius's home mortgage loan.

21 19. Due to a financial hardship, Ms. Siderius made the November and  
22 December of 2008 payments on the mortgage loan late.  
23

1 20. In January of 2009, Ms. Siderius paid the November and December 2008  
2 mortgage payments.

3 21. Since January of 2009, Ms. Siderius has not been delinquent on any  
4 mortgage payments.  
5

6 22. In May of 2009, Ms. Siderius applied to Bank of America for and Bank of  
7 America approved a Home Affordable Trial Modification Program Loan Workout  
8 Plan.  
9

10 23. Pursuant to the Home Affordable Modification Program, the Trial  
11 Modification was supposed to be for a three month period, after which time the  
12 loan was to be permanently modified.  
13

14 24. Ms. Siderius's permanent Loan Modification application to Bank of  
15 America was pending for 18 months from May 2009 through December 1, 2010.

16 25. On or about December 1, 2010, Ms. Siderius received correspondence from  
17 Bank of America saying that it denied her a permanent loan modification.  
18

19 26. At all times material hereto, Ms. Siderius's mortgage loan pertaining to this  
20 action was a performing, current loan obligation.  
21  
22  
23

1 27. By June 2009 and to the present time, Bank of America, acting on its own  
2 and through its agent BAC, has furnished information on Ms. Siderius's mortgage  
3 loan to consumer reporting agencies including Trans Union, Experian and Equifax.  
4

5 28. Since on or about June of 2009 to the present, Bank of America and BAC  
6 have inaccurately and wrongly furnished information about Ms. Siderius's  
7 mortgage loan on more than one occasion to consumer reporting agencies,  
8 including Trans Union, Experian and Equifax, stating that Ms. Siderius was from  
9 30 to 120-days late on her mortgage for payment periods after December of 2008,  
10 that the loan was in "collection" status and other inaccurate derogatory information  
11 about the loan.  
12

13 29. Ms. Siderius contacted Bank of America on numerous occasions in 2009  
14 and 2010 asking it to correct the inaccurate information it was reporting to the  
15 consumer reporting agencies.  
16

17 30. After notifying Bank of America of her dispute relating to the information it  
18 was furnishing to the consumer reporting agencies, Ms. Siderius wrote numerous  
19 letters to each defendant Trans Union, Equifax and Experian, disputing the  
20 accuracy of the information each agency was reporting on her Bank of America  
21  
22  
23

1 mortgage loan. Ms. Siderius asked Trans Union, Equifax and Experian to  
2 investigate and correct its records to correct the inaccurate information.

3  
4 31. The inaccurate information relating to the Bank of America mortgage loan  
5 in Ms. Siderius's consumer file with Trans Union, Equifax and Experian was a  
6 substantial factor in the decision of creditors and potential creditors to take  
7 negative or adverse actions against her including but not limited to: (1) Credco  
8 Credit Union, Capital One Bank and Scott Credit Union denying her credit  
9 applications for a car loan; (2) lenders declining to offer her a home loan when she  
10 relocated from Alabama to Spokane, Washington; (3) the Spokane Teacher's  
11 Credit Union denying her application for a debt consolidation loan; (4) credit card  
12 companies and creditors on open-ended credit accounts closing her accounts or  
13 lowering her credit limit; and (5) creditors increasing the interest rates on existing  
14 credit balances.  
15  
16

17  
18 32. Bank of America's refusal to correct its reporting and the consumer  
19 reporting agencies' refusal to correct their files caused Ms. Siderius significant  
20 stress, anxiety, embarrassment, humiliation, emotional distress, loss of sleep, loss  
21 of appetite, interfered with her ability to concentrate, interfered with her work,  
22 interfered with her personal relationships, interfered with her peace of mind and  
23

1 caused her emotional distress. Additionally, Ms. Siderius suffered emotional  
2 distress over whether her employer, the federal government, would become aware  
3 of the inaccurate information and, relying upon it, terminate her employment.  
4

5 33. On or about November 9, 2009, Bank of America wrote to Ms. Siderius  
6 advising her that it had reviewed the mortgage account and that it advised its  
7 Credit Department to "report to all three credit reporting bureaus that the loan has  
8 been current since May of 2009, in order to remove the negative credit reporting  
9 from your credit reports."  
10

11 34. Since November of 2009, each consumer reporting agency has repeatedly  
12 removed and subsequently reinserted into her consumer reports an inaccurate entry  
13 of "late over 120 days" and other inaccurate derogatory information regarding the  
14 mortgage loan without providing Ms. Siderius any notice of the reinsertion.  
15

16 35. Ms. Siderius discovered the reinserted inaccurate entry of "late over 120  
17 days" on the mortgage loan with each consumer reporting agency, and disputed the  
18 accuracy of the loan again. But despite her disputes to the consumer reporting  
19 agencies, the inaccurate entry continued to reappear.  
20

21 36. Ms. Siderius communicated almost every month from September of 2009  
22 through July of 2010 with Bank of America disputing its inaccurate reporting of  
23

1 her mortgage to the consumer reporting agencies. In spite of these repeated  
2 communications, Bank of America and BAC continued to report the mortgage  
3 inaccurately.  
4

5 37. In response to Ms. Siderius's disputes of the inaccurate information on the  
6 mortgage loan, the consumer reporting agencies wrongly verified inaccurate  
7 information.  
8

9 38. Section 1681e of the act requires Trans Union, Equifax and Experian, as  
10 credit reporting agencies, to follow reasonable procedures to assure the maximum  
11 possible accuracy of the information it reports pertaining to Ms. Siderius.  
12

13 39. The consumer reporting agencies wrongly relied upon Bank of America and  
14 BAC's response to the disputes and verified inaccurate information without giving  
15 due consideration to the information Ms. Siderius provided to the agencies with her  
16 disputes.  
17

18 40. Upon receiving notice of a disputed account from a consumer reporting  
19 agency, sec. 1681s-2(b) of the act requires Bank of America and BAC, as  
20 furnishers of information to a consumer reporting agency, to conduct an  
21 investigation, review all relevant information and to accurately reply to the  
22 consumer reporting agency's inquiry.  
23

1 41. Each consumer reporting agency knew or should have known that it was  
2 unreasonable to reply upon Bank of America's response to the reinvestigations.  
3

4 42. Each consumer reporting agency unreasonably relied upon Bank of  
5 America's responses to the reinvestigations.

6 43. Each consumer reporting agency failed to review or reasonably consider the  
7 information Ms. Siderius provided with her disputes when determining what action  
8 each would take on her disputes.  
9

10 44. Where a consumer submits to a consumer reporting agency a statement of a  
11 dispute following the agency's reinvestigation, § 1681i(c) of the act requires the  
12 agency to include in any subsequent report containing the disputed information a  
13 clear notation that the information is disputed by the consumer and the agency  
14 must provide either the consumer's statement or a clear and accurate codification  
15 or summary thereof.  
16

17 45. After receiving the results of each consumer reporting agency's  
18 reinvestigation, Ms. Siderius submitted a statement of her dispute to each agency  
19 on numerous occasions. The consumer reporting agencies thereafter failed to note  
20 Ms. Siderius's dispute over the information included in subsequent reports and  
21  
22  
23

1 filed to provide her statement or a clear and accurate codification or summary  
2 thereof.

3  
4 46. Each defendant knew or should have known about its legal obligations  
5 under the FCRA. These obligations are well established in the plain language of  
6 the FCRA and in the promulgations of the Federal Trade Commission.

7  
8 47. Each defendant obtained or had available substantial written materials that  
9 informed it of its duties under the FCRA. Any reasonable provider of financial  
10 products, like Bank of America, and consumer reporting agency, like Experian,  
11 Equifax and Trans Union, knows about or should know about and can easily  
12 discover these mandates.

13  
14 48. Despite knowing of these legal obligations, each defendant willfully failed  
15 to perform its duties under the FCRA with regard to furnishing, reporting and  
16 handling the disputes relating to Ms. Siderius's Countrywide mortgage loan or  
17 acted in reckless disregard of her rights.

18  
19 49. In the alternative to Plaintiff's allegations that these violations were willful,  
20 she alleges that each defendant failed to exercise due care in performing its  
21 obligations to Ms. Siderius under the FCRA, acting negligently, with regard to the  
22 furnishing, reporting and handling of her disputes relating to her mortgage loan.  
23

1 50. Each defendant is liable to Plaintiff for her actual damages or, where the  
2 violation is willful, actual damages or statutory damages from \$100.00 to  
3 \$1,000.00 in lieu of actual damages, and punitive damages for each violation  
4 alleged herein under §1681n or §1681o.  
5

6 51. As additional relief, Ms. Siderius is entitled to recover attorney's fees and  
7 costs under §1681n and §1681o.  
8

9 **COUNT I**  
10 **FIRST CLAIM FOR RELIEF AGAINST BANK OF AMERICA & BAC**

11 52. Plaintiff incorporates paragraphs 1 through 51 herein.

12 53. Bank of America and BAC violated the Fair Credit Reporting Act, 15  
13 U.S.C. § 1681s-2(b) by verifying inaccurate information about Ms. Siderius's  
14 mortgage loan to consumer reporting agencies to include Trans Union, Equifax and  
15 Experian; by failing to include a notation that this debt was disputed when  
16 furnishing information about Ms. Siderius's loan to the consumer reporting  
17 agencies; and by failing to fully and properly investigate Ms. Siderius's dispute of  
18 the information they were reporting to the consumer reporting agencies.  
19  
20

21 54. As a result of the violations alleged herein, Plaintiff suffered damages.  
22  
23

**COUNT II**  
**FIRST CLAIM FOR RELIEF AGAINST TRANS UNION**

55. Plaintiff incorporates paragraphs 1 through 51 herein.

56. Trans Union violated 15 U.S.C. § 1681e(b) by failing to establish or to follow reasonable procedures to assure the maximum possible accuracy of the information in its consumer file for Plaintiff and in consumer reports pertaining to Plaintiff that it provided to users of consumer reports.

57. As a result of the violations alleged herein, Plaintiff suffered damages.

**COUNT III**  
**SECOND CLAIM FOR RELIEF AGAINST TRANS UNION**

58. Plaintiff incorporates paragraphs 1 through 51 herein.

59. Trans Union violated 15 U.S.C. § 1681i by: failing to delete inaccurate information in Ms. Siderius's consumer file after she communicated her disputes over the inaccuracies; failing to conduct a reasonable reinvestigation; failing to forward all relevant information to Bank of America and BAC; failing to accurately describe to Bank of America and BAC Ms. Siderius's disputes; unreasonably relying upon verifications from Bank of America and BAC; and failing to note her dispute or provide her statement or a summary or codification of

1 her dispute in reports subsequent to receiving her consumer statement following its  
2 reinvestigation.

3  
4 60. As a result of the violations alleged herein, Plaintiff suffered damages.

5 **COUNT IV**  
6 **FIRST CLAIM FOR RELIEF AGAINST EQUIFAX**

7 61. Plaintiff incorporates paragraphs 1 through 51 herein.

8 62. Equifax violated 15 U.S.C. § 1681e(b) by failing to establish or to follow  
9 reasonable procedures to assure the maximum possible accuracy of the information  
10 in its consumer file for Plaintiff and in consumer reports pertaining to Plaintiff that  
11 it provided to users of consumer reports.  
12

13 63. As a result of the violations alleged herein, Plaintiff suffered damages.

14 **COUNT V**  
15 **SECOND CLAIM FOR RELIEF AGAINST EQUIFAX**

16 64. Plaintiff incorporates paragraphs 1 through 51 herein.

17 65. Equifax violated 15 U.S.C. § 1681i by: failing to delete inaccurate  
18 information in Ms. Siderius's consumer file after she communicated her disputes  
19 over the inaccuracies; failing to conduct a reasonable reinvestigation; failing to  
20 forward all relevant information to Bank of America and BAC; failing to  
21 accurately describe to Bank of America and BAC Ms. Siderius's disputes;  
22  
23

1 unreasonably relying upon verifications from Bank of America and BAC; and  
2 failing to note her dispute or provide her statement or a summary or codification of  
3 her dispute in reports subsequent to receiving her consumer statement following its  
4 reinvestigation..

6 66. As a result of the violations alleged herein, Plaintiff suffered damages.

7  
8 **COUNT VI**  
9 **FIRST CLAIM FOR RELIEF AGAINST EXPERIAN**

10 67. Plaintiff incorporates paragraphs 1 through 51 herein.

11 68. Experian violated 15 U.S.C. § 1681e(b) by failing to establish or to follow  
12 reasonable procedures to assure the maximum possible accuracy of the information  
13 in its consumer file for Plaintiff and in consumer reports pertaining to Plaintiff that  
14 it provided to users of consumer reports.

15  
16 69. As a result of the violations alleged herein, Plaintiff suffered damages.

17  
18 **COUNT VII**  
19 **SECOND CLAIM FOR RELIEF AGAINST EXPERIAN**

20 70. Plaintiff incorporates paragraphs 1 through 51 herein.

21 71. Experian violated 15 U.S.C. § 1681i by: failing to delete inaccurate  
22 information in Ms. Siderius's consumer file after she communicated her disputes  
23 over the inaccuracies; failing to conduct a reasonable reinvestigation; failing to

1 forward all relevant information to Bank of America and BAC; failing to  
2 accurately describe to Bank of America and BAC Ms. Siderius's disputes;  
3  
4 unreasonably relying upon verifications from Bank of America and BAC; and  
5 failing to note her dispute or provide her statement or a summary or codification of  
6 her dispute in reports subsequent to receiving her consumer statement following its  
7 reinvestigation.  
8

9 72. As a result of the violations alleged herein, Plaintiff suffered damages.

10 **WHEREFORE**, Plaintiff Caroline Siderius demands judgment against  
11 defendants, jointly and severally, for all relief to which she is entitled under the  
12 law of her claims, to include:  
13

- 14 (a) Actual damages, including pre-judgment and post-judgment  
15 interest at the legal rate;
- 16 (b) Statutory damages;
- 17 (c) Punitive damages;
- 18 (d) Declaratory judgment;
- 19 (e) Attorney's fees and costs; and
- 20 (f) Such other and further relief as the Court shall deem just and  
21  
22 proper.  
23

**DEMAND FOR JURY TRIAL**

Pursuant to FRCP 38, Plaintiff demands a trial by jury as to all issues so triable.

Dated this 25 th day of January, 2011.

Karen Lindholdt  
Karen Lindholdt, WSBA #24103

Attorney for CAROLINE SIDERIUS